

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, OCTOBER 25, 2007

Presiding: Mayor Glenn W. Dalling
Meeting Convened at 6:30 p.m.
Prayer: Walter Deitz
Pledge of Allegiance

Present: Mayor Dalling; Sharon L. Bell, Clerk; Marcie A. Smith, Treasurer; Councilmembers Harold Harris, Walter Deitz, Bruce King, and Brad Orme; Stephanie Blackham, Planning & Zoning Commission; Kyra Davis, Standard Journal; Attorney Adam Dunn; Eddie Pincock; Sharla Pincock; Vaun Waddell; Verla Moss; Jeff Christensen; Nick Christensen; Sadie Pincock; Sharee Palmer; and Ted Hendricks.

The mayor asked if there were any corrections to the minutes of the regular meeting held October 11, 2007. Each councilmember had a copy of said minutes prior to the meeting. It was moved by Councilmember Orme and seconded by Councilmember King to accept said minutes; motion carried.

PLANNING & ZONING REPORT: Stephanie Blackham addressed the council.

Title 8, Chapter 4 (Design Review) & Title 9, Chapter 6 (Zoning Districts):

Stephanie presented completed copies of design review and zoning district chapters. She reported that P&Z had their public hearings and made some changes that were suggested at said public hearings. City council needs to have a public hearing on them. Sharon was assigned to check with Attorney Garner to see if the council can review the public comments made at the public hearings.

Max Parkinson, Gravel Pit Reclamation Agreement: P&Z drafted an agreement between them and Max Parkinson. After he signs it, Stephanie will deliver it to the council.

ADAM DUNN & EDDIE PINCOCK – OLD FARM ESTATES PRELIMINARY PLAT:

Mr. Dunn addressed the council and stated he and Eddie Pincock are here on behalf of the developer. He feels he is being required to do things that are not in our city code and ordinances. He does not like to proceed with unknown rules being imposed upon him and would like to know what the next step is. There was additional confusion with changes of city attorneys. Discussion was had on lot sizes, open space, impact study, etc. P&Z rejected their preliminary plat and he feels the city is making up rules with no justification from our ordinances. Mr. Dunn wants to know our reasons for disapproval within the confines of our ordinances. He said they tried to follow all the rules.

The mayor called for a short recess to call City Attorney Josh Garner and have him come and meet with Mr. Dunn tonight, if possible. Shortly thereafter, Attorney Garner met with Attorney Dunn in Sharon's office to discuss the matter.

TED HENDRICKS – BUSINESS PARK: Mr. Hendricks reported, citing from a letter Mayor

Dalling received from the Idaho Department of Commerce, that the city was approved for a \$500,000 grant after the following conditions have been met: (1) identify that the city clearly understands its contractual obligation to repay the grant if Yellowstone Hotel Systems fails to create the contracted number of jobs, and (2) provide additional documentation of Yellowstone Hotel Systems' commitment to construct a building in the business park. Mr. Hendricks said this is not an uncommon request. If Yellowstone Hotel Systems can come up with most of the 39 required full-time jobs, the rest can come from anywhere locally, and the city can ask for an amendment for more time to come up with the jobs. We would have about two years after the building is up to get these jobs. Yellowstone Hotel Systems has already created 12 new jobs toward this grant, by opening an office in Rexburg. Mr. Hendricks doesn't believe that getting these jobs will be hard at all. He thinks the building will be up in the next year, opening bids in March and construction starting in April.

Mr. Hendricks said none of this concerns him and feels we need to just move forward. They would share the risk with us and be a co-grantee if the city wishes. He said there are some issues that we need to go over in the memorandum of agreement and he would like to get this done in the next two or three weeks. We need to sit down with Madison County and talk about this memorandum of agreement. Mr. Hendricks said the MOA is almost done and he will have it for city council on November 8. Mr. Hendricks will set up a work meeting. The mayor thanked him for his good work on the business park.

DEPARTMENT REPORTS:

COUNCILMEMBER HARRIS: Harold reported street patching is now done and curbs and gutters are completed on Railroad Avenue, but the pavement hasn't been done. A discussion was had on the sinking road patches. The Mayor asked that the minutes reflect that Dick Dyer has met with the council in the past and agreed that the developer would repair these areas that were sinking across 3rd South and West 1st South. Walter reminded us of that and requested that we get a written agreement with Dick rather than just a verbal agreement.

COUNCILMEMBER KING:

Web site: Bruce reported that, for \$20, "govoffice.com" will notify the major Internet search engines of our new domain name so our Web site will have a better chance of rising to the top of search results. He feels getting search engines to find and list our Web site at the top of a list of search results will benefit our city. In a related matter, Bruce will resend the council restrictions on entities using ".gov" domain names.

Harris Annexation: The Mayor reported the Harris annexation couldn't move forward until we complete the process on the Ball and Jeppesen properties. Attorney Garner went to the GIS office at the county and they didn't want to give him a legal description because it would make them liable. Then he asked Dick Dyer to prepare it. Once that is done, the two lawyers can proceed. The mayor reported that DePatco and Brown are the only property owners for the little triangle along Idaho Highway 33 that the city would like to annex. If they agree to come into Sugar City, we can annex them. Mayor Larsen agreed as long as we get a contiguous block. Walter said he talked to the DePatco owners, who said if we leave the zoning as it is now, they will agree to annex into Sugar City. We will waive the annexation fees. The mayor requested that Walter follow through with DePatco.

Title 1, Administration: Bruce hopes to complete Title 1 within a month.

Potential Designs for Grain Elevator: Tim Whitworth can't come tonight but will present his proposed designs at our next meeting.

Brent McFadden on Impact Area Applications: Councilmember Harris reported the only thing we haven't resolved is the reimbursement to Sugar City. He will visit with Mr. McFadden. We will have five days to review a residential permit and more time depending on the complexity on commercial. Mr. McFadden will send us a letter once the final details have been worked out.

Impact Areas and Impact Fees: The mayor said he met with the joint planners and the subject was impact areas and impact fees. Nothing was finalized. Rexburg is fighting the county because people don't want to be annexed because of the impact fees. Maybe the county needs to have some impact fees. Sugar City's P&Z is working on a recommendation for an impact area.

DEQ Fees: At the request of Bruce, Marcie reported that she had checked with DEQ and the annual \$4 per connection fee is part of a drinking water program. They called it the drinking water oversight fee, which paid for things like a sanitary survey that was done every 3-5 years, a plan and specification review for developers, and an engineering review for developments, and they help with contamination outbreaks in drinking systems for cities.

Bond for Sharon and Marcie: The mayor reported that ICRMP takes care of every bonding that is required for the clerk and treasurer, but he didn't know specifically what the amount was. He will report the exact amount for next meeting.

Title 8, Chapter 4 (Design Review) and Title 9, Chapter 6 (Zoning Districts): Attorney Garner reported that the council could look at the draft of title 9, chapter 2 (definitions)

COUNCILMEMBER DEITZ: Walter reported we need a decision on Title 7, water and sewer. We need to get it written up in code form and submit it to the council. He doesn't feel it needs to go to P&Z, but it will need a public hearing. He said he accepts all of Dick Dyer's changes. The mayor assigned Walter to send the council an electronic copy of Title 7 with the changes made by Mr. Dyer. They will give it to Attorney Garner to review, and Walter will visit with him about it.

COUNCILMEMBER ORME:

Report on City Impact Fees: Brad presented copies of Idaho Statutes, title 67, chapter 82, Development Impact Fees. There are two things we need to do before we go to public hearing: (1) establish an impact fee advisory committee (67-8205), and (2) develop a capital improvements plan (67-8206). He asked the council to review Idaho Code, title 67 for next meeting.

MAYOR'S BUSINESS:

Bike Path: The mayor asked Councilmember King to report on the bike path. Bruce reported as follows: Officials of the Idaho Transportation Department (ITD) in Boise opened the bids on the proposed bike path between Rexburg and Sugar City on Tuesday, Oct. 16. The lone bidder was H-K Contractors Inc. of Idaho Falls, with a bid of \$485,125.20. The engineer's estimate, which is ITD's calculated cost of the project, was \$381,518.10. The H-K bid exceeded the engineer's estimate by \$103,607.10, or 27 percent. ITD policy requires that the transportation department evaluate any bid that is 10 percent over the estimate to see if it is justified. Policy also requires that ITD evaluate any lone bid. As of close of business on Thursday (Oct. 25), District 6 officials had not completed its evaluation of the H-K bid. If evaluators judge the bid to be reasonable, and if money is available for the project, ITD recommends that the Idaho Transportation Board award the bidder the contract. If evaluators

judge the bid to be unreasonable, or if money is not available for the project, ITD recommends that the board not award the contract. ITD cannot award a contract if money is unavailable to cover it, since the agency would not be able to pay the contractor for his work.

Sewer and Water Base and User Rates: Marcie reported that the council didn't pass the resolution for sewer and water fees to go up, but increases were included in the budget. Discussion was had. The mayor asked the council to review the rates for next meeting.

Motion for a Change in Date of Council Meeting – Public Hearing set on Title 8, Chapter 4, Design Review: It was moved by Councilmember Harris and seconded by Councilmember King that we move the date of our second regular meeting in November from November 22 to November 29, and that as part of that meeting we schedule a public hearing for title 8, chapter 4, "design review" at 6:30 p.m.; motion carried.

ATTORNEY JOSH GARNER – OLD FARM ESTATES: Attorney Garner reported on his meeting tonight with Attorney Adam Dunn regarding the preliminary plat process. From a preliminary plat point of view, they have complied with what city ordinance requires them to do to move forward. Attorney Garner recommends that the council table this issue and send it back to P&Z for further review and discussion and for a more comprehensive report. He recommends a timetable of 15 days to get a report back to Mr. Dunn.

MOTION: It was moved by Councilmember Orme and seconded by Councilmember Harris that, from our plat procedures in title 10-5-2(J)(3), we extend the time limit for action by 15 days on the matter of the Old Farm Estates preliminary plat. It is a mutual decision between the developer's attorney and the city attorney for P&Z to now review the whole plat and make a recommendation again on specific items as required by ordinance; motion carried.

Meeting adjourned at 8:35 p.m.

Signed: _____
Glenn W. Dalling, Mayor

Attested: _____
Sharon L. Bell, Clerk